

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Investigation by the Department of Telecommunications and Energy on its own Motion pursuant to G.L. c. 159, §§ 12 and 16, into the collocation security policies of Verizon New England Inc. d/b/a Verizon Massachusetts

D.T.E. 02-8

**REPLY COMMENTS OF AT&T COMMUNICATIONS OF NEW ENGLAND, INC.
REGARDING VERIZON'S OPPOSITION TO MOTIONS TO COMPEL**

On May 20, 2002, Verizon filed with the Department its Reply to Motions to Compel filed by Allegiance Telecom of Massachusetts, Inc. and XO Massachusetts, Inc. Those motions requested further information from Verizon concerning the costs of the new security measures it is proposing in this proceeding as well as Verizon's central office floor plans. Within its reply, Verizon continues to refuse to produce cost information concerning its proposals, claiming that such information is beyond the scope of this proceeding. Furthermore, Verizon states that the development of a cost analysis at this point in the proceeding would be premature. AT&T's comments herein will focus on Verizon's continued refusal to provide the Department and other parties with any information regarding the costs of the security measures it is proposing in this docket.

As stated within AT&T's Panel Rebuttal Testimony submitted on May 15, 2002, cost is an important consideration for any security expert when developing a reasoned security strategy. In order for the Department to make reasonable decisions about what, if any, new security measures are appropriate for Massachusetts central offices, it is necessary for an analysis of the relative costs of Verizon's proposals to commence immediately. Verizon, however, would have the Department render decisions concerning its proposals without any information concerning

the relative costs of these measures. Were the Department to proceed on such a course, the result would be the adoption of unreasonable security measures and the imposition of burdensome costs upon competing local exchange carriers without considering whether the same or even greater levels of security could be achieved by alternative means. This result would neither promote cost-effective central office security nor further other important policy goals of the Department – namely, the fostering of competition in Massachusetts’ local exchange market.

Verizon’s reply insists that cost information is beyond the scope of this proceeding. In support of this contention, Verizon points to an impromptu discussion that occurred during the February 25, 2002 procedural conference. Although the hearing officer suggested in that discussion that formal rate setting procedures after the initial investigation might include detailed cost studies, nothing in that discussion suggested that costs, as a general matter, would be completely irrelevant to an evaluation of changes in collocation rules and procedures. Indeed, if that had been made clear during the procedural conference, AT&T, and presumably other CLECs, would have raised an objection. As AT&T’s Rebuttal Testimony makes clear, excluding any and all cost information from this proceeding would be irresponsible and at odds with basic tenets of security expertise.

Verizon also states that the development of a cost information concerning its proposed measures at this time would be premature and unproductive since the Department has yet to decide which new security measures to adopt. Verizon, however, has put the cart before the horse. Any reasonable analysis of what security measures to adopt must include an analysis of what effect those measures will have upon Verizon and its competitors. Those effects include the costs that will be imposed, and the inconvenience that will be necessitated by the adoption of any new security measure. In short, the question for the Department in this proceeding is not

what collocation rule changes will produce better security in the abstract. Rather, it is what collocation rule changes, if any, will address the new risks posed by the terrorist attacks of September 11th, if other policies that are less costly, less inconvenient, and less detrimental to the Department's other important policy goals are not available. Some level of cost analysis must be performed during this proceeding to answer the latter question. For the Department to accomplish reasonable security improvements without damaging the delicate environment that allows local competition to flourish, cost must be viewed as an important and relevant consideration.

Respectfully submitted,

**AT&T COMMUNICATIONS OF NEW
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